

31A-2-106 Ethical requirements for Insurance Department staff.

- (1) No employee of the Insurance Department, including the commissioner, may:
 - (a) make any solicitation for any partisan political purpose or for anything that is not related to the public interest, as it is affected by insurance; or
 - (b) continue or initiate a monetary relationship, except as policyholder, with an insurance agency or brokerage firm, insurance service organization, insurance adjuster, insurer or person affiliated with an insurer, except that:
 - (i) a commissioner may receive renewal commissions or other deferred compensation earned before his appointment if this commission or compensation does not require him to personally perform further service;
 - (ii) a commissioner may continue to be obligated under the terms of a mortgage entered into prior to his appointment; and
 - (iii) a commissioner may continue to have the beneficial interest in or own stock in an insurer, noninsurance company with insurance subsidiaries, insurance agency, brokerage firm, or insurance service organization acquired before appointment if the commissioner's ownership or interest is not of such total value that the commissioner might receive a substantial monetary benefit by failing to act impartially towards the organization. A partnership interest shall be treated as if it were shares in a corporation.
- (2) If the commissioner has any beneficial interest or ownership in an organization outlined under Subsection (1)(b)(iii), or if it is known to the commissioner that his spouse, parent, sibling, or child has an interest in any organization that, if held by the commissioner, would disqualify him from serving as commissioner, he shall disqualify himself from all actions respecting the particular organization. The commissioner shall then delegate a senior staff member who is not also disqualified to act in his place with regard to that organization. There is a rebuttable presumption that the commissioner or the delegate service staff member knows of any disqualifying holdings. The commissioner shall report a disqualification in each annual report to the governor as long as the disqualification continues.
- (3) The commissioner shall give the governor at least 10 days written notice of any solicitation to be made by the commissioner or other member of the department staff.
- (4) In addition to any other penalty, an employee violating this section may be removed from office.

Amended by Chapter 91, 1987 General Session